

**JOINT REVIEW BOARD AGNDA  
CITY OF MERRILL, WISCONSIN**

**TAX INCREMENTAL DISTRICT NO. 11 CREATION**

**Tuesday, April 26, 2016 at 4:30 p.m.**

**Merrill City Hall – Common Council Chambers  
1004 East 1st Street**

**AGENDA**

1. Call to Order
2. Public Comment
3. Review and consideration of minutes from October 6<sup>th</sup>, 2015 meeting
4. Consideration and appointment and/or reconfirmation of Joint Review Board's public member
5. Election and/or reconfirmation of Chairperson
6. Discuss responsibilities of Joint Review Board
7. Review and discuss draft project plan for proposed TID No. 11
8. Set next meeting date
9. Adjournment

Agenda prepared by RDA Secretary Kathy Unertl

Note: A potential quorum of the Common Council could attend the meeting for information. There will be no Common Council action taken.

The Merrill City Hall is accessible to the physically disadvantaged. If special accommodations are needed, please contact the Merrill City Hall at 536-5594.

*Date and time agenda was posted:* \_\_\_\_\_ *Posted by:* \_\_\_\_\_

③

**City of Merrill  
Joint Review Board**

**Tuesday, October 6<sup>th</sup> 2015 at 4:00 P.M.  
City Hall Council Chambers, 1004 East First Street**

**Members Present:** Mayor Bill Bialecki (City of Merrill representative), Jane Kittel (Northcentral Technical College representative), Wally Leipart (Merrill Area Public Schools representative), Bob Weaver (Lincoln County representative), and Amanda Kostman (public member)

**Others Present:** Finance Director/RDA Secretary Kathy Unertl, City Administrator Dave Johnson, Alderperson Kandy Peterson, and Patrick Malloy from Ehlers & Associates via phone

**Call to order** Chair Bialecki called the meeting to order at 4:00 P.M. MAPS Superintendent Wally Leipart attended and participated in the meeting.

**Review and consideration of September 10<sup>th</sup>, 2011 meeting minutes:**

Motion (Kostman/Kittel) to approve the Joint Review Board meeting minutes from September 2<sup>nd</sup>, 2015. Carried.

**Review the public record, planning documents, Redevelopment Authority resolutions adopting the project plans, and the resolutions passed by the Common Council approving the project plans:**

- TID 3 – Project Plan Amendment in order to share increment with TIDs No. 6, 7, and 8
- TID 3 – Boundary and Project Plan Amendment
- TID 6 – Boundary and Project Plan Amendment
- TID 7 – Boundary and Project Plan Amendment
- TID 8 – Boundary and Project Plan Amendment
- TID 10 – Creation ["Blighted" Area TID]

In response to question from Kettel, Unertl advised that there have been no changes to the boundaries or plans since the version reviewed by the Joint Review Board at the September 2<sup>nd</sup> meeting.

The Redevelopment Authority and Common Council have made "blight" findings, after property owner notifications, related to TIDs No. 6, 7, 8, and 10. The plans and resolutions were reviewed by the Joint Review Board members.

Consideration of Joint Review Board Resolution 2015-01 – Resolution Approving the Project Plan Amendment of Tax Incremental District No. 3 in Order to Share Increment With TIDs No. 6, 7, and 8, City of Merrill

***Motion (Kostman/Weaver) adopting Joint Review Board Resolution 2015-01 – Resolution Approving the Project Plan Amendment of Tax Incremental District No. 3 in Order to Share Increment With TIDs No. 6, 7, and 8, City of Merrill. Carried.***

Consideration of Joint Review Board Resolution 2015-02 – Resolution Approving the Project Plan and Boundary Amendment of Tax Incremental District No. 3, City of Merrill

***Motion (Weaver/Kittel) adopting Joint Review Board Resolution 2015-02 – Resolution Approving the Project Plan and Boundary Amendment for Tax Increment District No. 3, City of Merrill. Carried.***

Consideration of Joint Review Board Resolution 2015-03 – Resolution Approving the Project Plan and Boundary Amendment for Tax Incremental District No. 6, City of Merrill

***Motion (Kostman/Weaver) adopting Joint Review Board Resolution 2015-03 – Resolution Approving the Project Plan and Boundary Amendment for Tax Increment District No. 6, City of Merrill. Carried.***

Consideration of Joint Review Board Resolution 2015-04 – Resolution Approving the Project Plan Amendment and Boundary Amendment for Tax Incremental District No. 7, City of Merrill

***Motion (Kostman/Weaver) adopting Joint Review Board Resolution 2015-04 – Resolution Approving the Project Plan and Boundary Amendment for Tax Increment District No. 7, City of Merrill. Carried.***

Consideration of Joint Review Board Resolution 2015-05 – Resolution Approving the Project Plan and Boundary Amendment for Tax Incremental District No. 8, City of Merrill

***Motion (Weaver/Kostman) adopting Joint Review Board Resolution 2015-05 – Resolution Approving the Project Plan and Boundary Amendment for Tax Increment District No. 8, City of Merrill.***

Consideration of Joint Review Board Resolution 2015-06 – Resolution Approving the Creation of Tax Incremental District No. 10, City of Merrill

***Motion (Leipart/Kostman) adopting Joint Review Board Resolution 2015-06 – Resolution Approving the Creation of Tax Increment District No. 10, City of Merrill. Carried.***

**Determination of Joint Review Board Status:**

Unertl advised that additional TID amendments were being planned for 2016.

***Motion (Kostman/Weaver) for the Joint Review Board to remain as Standing Joint Review Board. Carried.***

**Adjournment:**

Joint Review Board adjourned informally at 4:10 P.M.

Minutes prepared and submitted by:

Kathy Unertl, Finance Director/RDA Secretary

## JRB RESPONSIBILITIES

6

1. Review public record
2. Review planning documents
3. Review Common Council resolution
4. Decision to approve or deny
  - A. Whether development expected in the Tax Incremental District would occur without the use of tax incremental financing;
  - B. Whether the economic benefits of the Tax Incremental District, measured by increased employment, business and personal income and property value, are sufficient to compensate for the cost of the improvements;
  - C. Whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

Attendance at public hearing is optional, but recommended.

### **GUIDELINE IN APPOINTMENT OF JRB** WI State Statutes Section 66.1105(4m)

School Board President or designee (e.g. District Finance Director, etc.)

County Executive, County Board Chair, or designee (e.g. County Treasurer, etc.)

Technical College Director or designee (e.g. District CFO, etc.)

Mayor or designee (e.g. Economic Development Director, City Treasurer, etc.)

When designees are used, preference shall be given to persons with knowledge of local government finance.

If a District is located in a union high school district, the seat that is held by the school district representative shall be held by 2 representatives, each of whom has one-half of a vote.

If more than one school district, union high school district, elementary school district, technical college district, or county has the power to levy taxes on the property within the District, the entity which is located on the property of the District that has the greatest value shall choose that representative.

The public member and the board's chairperson shall be selected by a majority of the other board members before the public hearing.



7

Draft as of April 5, 2016

# Project Plan for the Creation of Tax Incremental District No. 11

## CITY OF MERRILL, WISCONSIN

Organizational Joint Review Board Meeting Held:	Scheduled for: April 26, 2016
Public Hearing Held:	Scheduled for: April 26, 2016
Consideration for Approval by Redevelopment Authority:	Scheduled for: April 26, 2016
Consideration for Adoption by Common Council:	Scheduled for: May 10, 2016
Consideration for Approval by the Joint Review Board:	Scheduled for: TBD



# Tax Incremental District No. 11 Creation Project Plan

## City of Merrill Officials

### Common Council

William Bialecki	Mayor
Chris Malm	Aldersperson
Pete Lokemoen	Aldersperson
Ryan Schwartzman	Aldersperson
Kandy Peterson	Aldersperson
John Burgener	Aldersperson
Dave Sukow	Aldersperson
Rob Norton	Aldersperson
Tim Meehean	Aldersperson

### City Staff

William Heideman	City Clerk
Kathy Unertl	City Finance Director/RDA Secretary
Dave Johnson	City Administrator
Thomas Hayden	City Attorney
Rod Akey	City Public Works Director/Engineer

### Redevelopment Authority

Bill Bialecki, President	Jill Laufenberg
Karen Karow	Ryan Schwartzman
Amanda Kostman	Wally Smith
Tony Kusserow	

### Joint Review Board

Mayor Bialecki	City Representative
Robert Weaver	Lincoln County
Rob Elliott	Northcentral Technical College District
Brian Dasher	Merrill Area School District
TBD	Public Member



# Table of Contents

EXECUTIVE SUMMARY .....	4
TYPE AND GENERAL DESCRIPTION OF DISTRICT .....	7
PRELIMINARY MAP OF PROPOSED DISTRICT BOUNDARY .....	8
MAP SHOWING EXISTING USES AND CONDITIONS .....	10
PRELIMINARY PARCEL LIST AND ANALYSIS .....	11
EQUALIZED VALUE TEST.....	12
STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS.....	13
MAP SHOWING PROPOSED IMPROVEMENTS AND USES.....	18
DETAILED LIST OF PROJECT COSTS .....	20
ECONOMIC FEASIBILITY STUDY, FINANCING METHODS, AND THE TIME WHEN COSTS OR MONETARY OBLIGATIONS RELATED ARE TO BE INCURRED.....	22
ANNEXED PROPERTY.....	28
ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS .....	28
PROPOSED ZONING ORDINANCE CHANGES.....	28
PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND CITY OF MERRILL ORDINANCES .....	28
RELOCATION .....	29
ORDERLY DEVELOPMENT AND/OR REDEVELOPMENT OF THE CITY OF MERRILL.....	29
LIST OF ESTIMATED NON-PROJECT COSTS .....	29
OPINION OF ATTORNEY FOR THE CITY OF MERRILL ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES 66.1105 .....	30
CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS.....	31

# SECTION 1: Executive Summary

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## Description of District

### Type of District, Size and Location

Tax Incremental District (“TID”) No. 11 (the “TID” or “District”) is proposed to be created by the City of Merrill (“City”) as a mixed-use district. A map of the proposed District boundaries is located in Section 3 of this plan.

### Estimated Total Project Expenditures.

The City anticipates making total project expenditures of approximately \$3,237,500 to undertake the projects listed in this Project Plan. The City anticipates completing the projects in four phases. The Expenditure Period of this District is 15 years from the date of adoption of the authorizing Resolution of the Common Council (the “Creation Resolution”). The projects to be undertaken pursuant to this Project Plan are expected to be financed with general obligation debt issued by the City and Pay-As-You-Go (PAYGO) agreements with developers, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of total project financing, is located in Section 10 of this plan.

### Economic Development

As a result of the creation of this District, the City projects that additional land and improvements value of approximately \$14,000,000 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment and associated values is located in Section 10 of this Plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.

### Expected Termination of District

Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to recover all project costs by the year 2030, which is seven years prior to the final revenue collection of the District. Changes in project costs or the pace of development could accelerate or slow the recovery of project costs.

## Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. **That “but for” the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City.** In making this determination, the City has considered the following information:

- Some of the sites proposed for development and/or redevelopment have remained vacant for due to lack of adequate infrastructure and possible environmental contamination. Given that the sites have not developed as would have been expected under normal market conditions, it is the judgment of the City that the use of Tax Incremental Financing (“TIF”) will be required to provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the City.
  - In order to make the areas included within the District suitable for development and/or redevelopment, the City will need to make a substantial investment to pay for the costs of: property, right-of-way and easement acquisition, site preparation, installation of utilities; installation of streets and related streetscape items; development incentive payments; and other associated costs. Due to the extensive initial investment in public infrastructure and/or rehabilitation that is required in order to allow development and/or redevelopment to occur, the City has determined that development and/or redevelopment of the area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development and/or redevelopment of the area is unlikely to occur.
2. **The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the City has considered the following information:
- As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
- If approved, the District’s creation would become effective for valuation purposes as of January 1, 2016. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation or appreciation of property values occurring after January 1, 2016 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
  - Since the development expected to occur is unlikely to take place or in the same manner without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the City reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of this plan.
4. Not less than 50% by area of the real property within the District is suitable for a combination of industrial, commercial and residential uses, defined as “mixed-use development” within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). Lands proposed for newly platted residential

development comprise 17.9% (and in no event will exceed 35%) by area of the real property within the District. Any project costs related to newly platted residential development are eligible expenditures based on the finding that the development has a residential housing density of at least 3 units per acre as defined in Wisconsin Statutes Section 66.1105(2)(f)3.a.

5. Based upon the findings, as stated above, the District is declared to be a mixed-use District based on the identification and classification of the property included within the District.
6. The project costs relate directly to promoting mixed-use development in the District consistent with the purpose for which the District is created.
7. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
8. The equalized value of taxable property of the District, plus the value increment of all existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that approximately 1.9% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
10. The Project Plan for the District in the City is feasible, and is in conformity with the master plan of the City.

## SECTION 2: Type and General Description of District

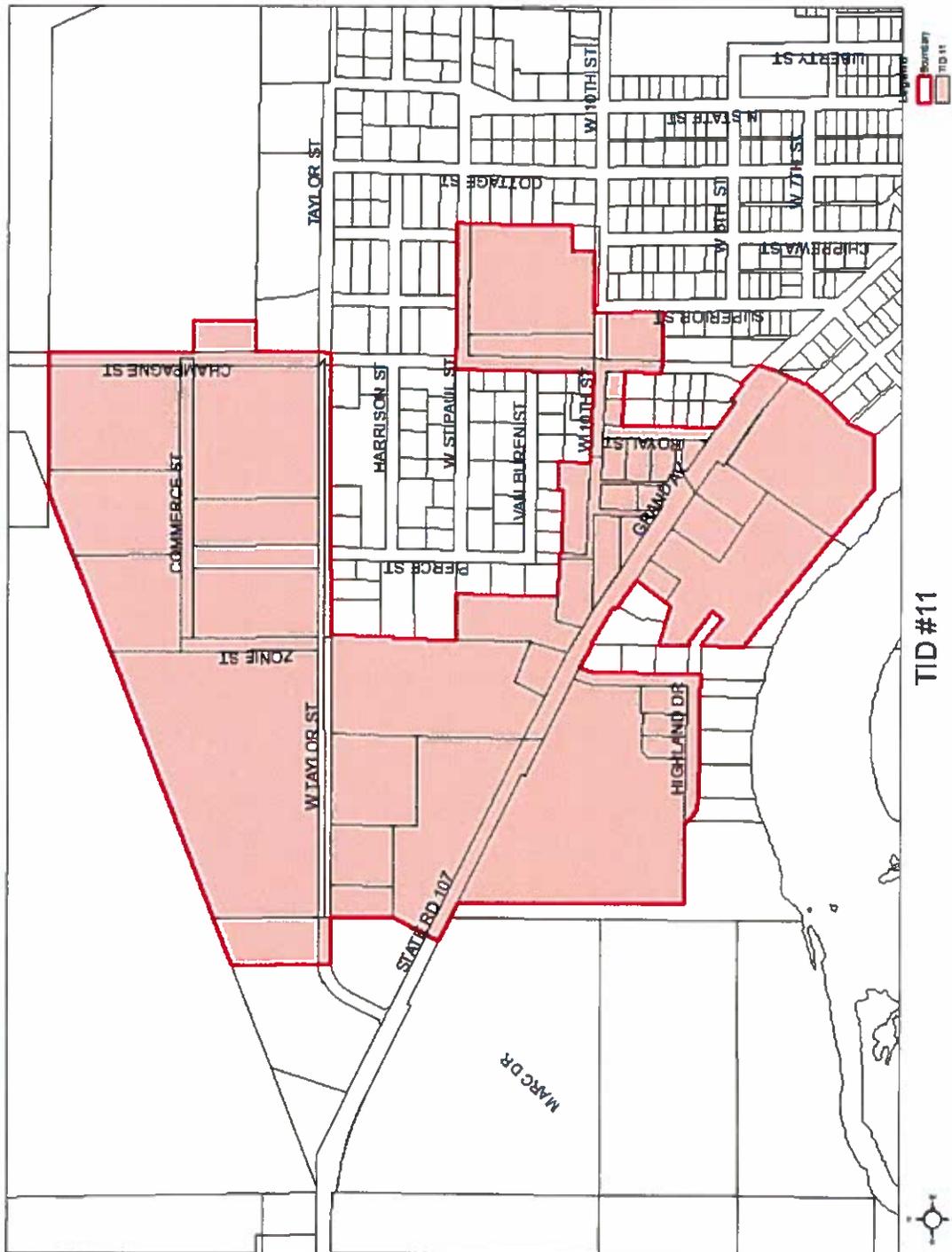
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The District is being created by the City under the authority provided by Wisconsin Statutes Section 66.1105. The District is created as a "Mixed Use District" based upon a finding that at least 50%, by area, of the real property within the District is suitable for a combination of industrial, commercial and residential uses as defined within the meaning of Wisconsin Statutes Section 66.1105(2)(cm) (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test). Lands proposed for newly platted residential development comprise 17.9% of the area of the District. To the extent that project costs will be incurred by the City for newly platted residential development, the residential development will have a density of at least 3 units per acre as defined in Wisconsin Statutes Section 66.1105(2)(f)3.a.

A map depicting the boundaries of the District is found in Section 3 of this Plan. A map depicting the proposed uses of the District is found in Section 8 of this plan. The City intends that TIF will be used to assure that a combination of private industrial, commercial and residential development occurs within the District consistent with the City's development objectives. This will be accomplished by installing public improvements and making necessary related expenditures to induce and promote development within the District. The goal is to increase the tax base and to provide for and preserve employment opportunities within the City. The project costs included in the Plan relate directly to promoting mixed-use development in the District consistent with the purpose for which the District is created.

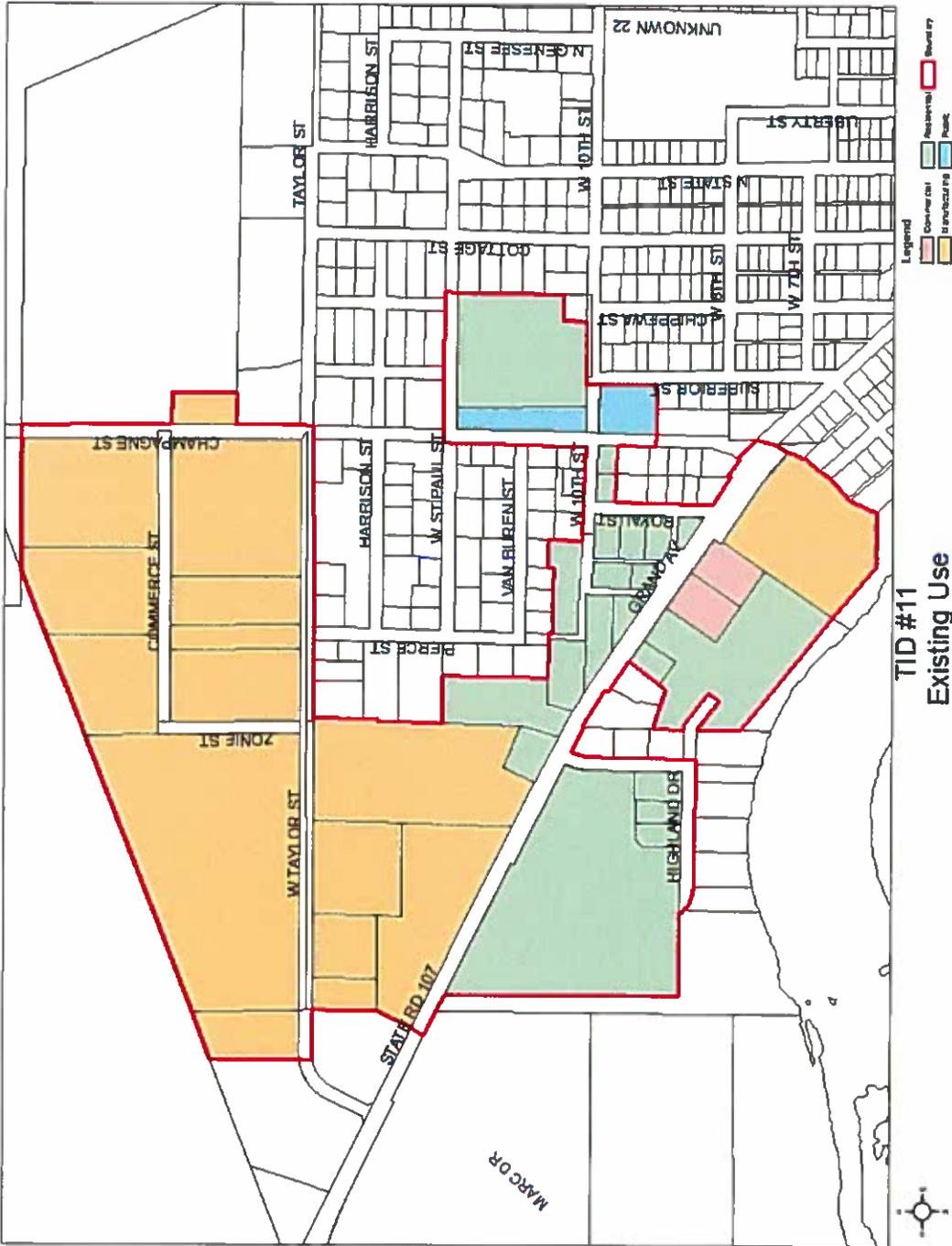
Based upon the findings, as stated within this Plan, the District is declared to be a mixed-use District based on the identification and classification of the property included within the district.

# SECTION 3: Preliminary Maps of Proposed District Boundary





# SECTION 4: Maps Showing Existing Uses and Conditions



# SECTION 5: Preliminary Parcel List and Analysis

City of Merrill, Wisconsin

Tax Increment District No. 11

Base Property Information

Property Information

Assessment Information

Estimate Value

Current Classification

Map Ref #	Parcel Number	Street Address	Owner	Part of Existing TID #	Land	Imp	PF	Total	Equalized Value Ratio	Land	Imp	PF	Total	Industrial (Zoned and Suitable)	Commercial Business	Existing Residential	Newly Planted Residential	Suitable for Mixed Use
251-3106-101-0183	34-0008-000-382-01-47	State RD 107 Frontage	Merrill Area Dev Corp (MADC)	7.288	18,200		0	18,200	112.29%	18,213		0	18,213	7.29				
251-3106-101-0183	34-0008-000-382-01-04	1501 State RD 107	Lokemoen Development Co., LLC	1.000	15,000	8,000	0	23,000	112.29%	13,262	7,176	0	20,438				1.00	1.00
251-3106-101-0183	34-0008-000-382-01-04	1501 State RD 107	Lokemoen Development Co., LLC	16.810	42,000	0	0	42,000	112.29%	37,414	0	0	37,414				16.81	16.81
251-3106-101-0183	34-0008-000-382-01-01	1401 Highland Dr	Lokemoen Development Co., LLC	0.676	16,800	11,700	0	28,500	112.29%	14,966	9,910	0	24,876			0.68		0.68
251-3106-101-0183	34-0008-000-382-01-01	Highland Dr. Frontage	Lokemoen Development Co., LLC	0.595	15,100	0	0	15,100	112.29%	13,451	0	0	13,451					0.00
251-3106-101-0183	34-0008-000-382-01-01	Highland Dr. Frontage	Lokemoen Development Co., LLC	0.495	15,000	0	0	15,000	112.29%	13,362	0	0	13,362					0.00
251-3106-101-0183	34-0008-000-382-01-01	1505 Champagne St.	O'Day, Alice H. & Megan	1.030	6,600	44,600	0	51,200	112.29%	4,979	61,100	0	66,079	1.03				1.03
251-3106-101-0183	34-0008-000-382-01-01	1100 W. Taylor St.	Northern Wire LLC	8.660	70,700	1,943,700	237,100	2,141,500	112.29%	62,980	1,942,386	211,211	1,916,577	8.66				8.66
251-3106-101-0183	34-0008-000-382-01-01	1401 W. Taylor St.	Jane Beeman Trust - Ursula Wood	21.740	114,500	4,115,100	799,600	5,299,200	112.29%	103,446	3,441,933	665,547	4,149,927	21.74				21.74
251-3106-101-0183	34-0008-000-382-01-01	Commerce St. Frontage	Jane Beeman Trust - Ursula Wood	7.220	14,400	0	0	14,400	112.29%	12,828	0	0	12,828	7.22				7.22
251-3106-101-0183	34-0008-000-382-01-01	1200 Commerce St	Russ Dem Wholesale Inc.	5.380	40,400	637,300	947,340	1,605,040	112.29%	35,989	549,248	843,900	1,448,136	5.38				5.38
251-3106-101-0183	34-0008-000-382-01-01	Commerce St. Frontage	Russ Dem Wholesale Inc.	4.450	9,400	0	0	9,400	112.29%	8,374	0	0	8,374	4.46				4.46
251-3106-101-0183	34-0008-000-382-01-01	Commerce St. Frontage	Russ Dem Wholesale Inc.	3.055	6,100	0	0	6,100	112.29%	5,434	0	0	5,434	3.06				3.06
251-3106-101-0183	34-0008-000-382-01-01	1600 W. Taylor St	Froeger, Eric J & Jennifer M	2.350	17,600	199,700	0	217,300	112.29%	15,678	177,895	0	193,573	2.35				2.35
251-3106-101-0183	34-0008-000-382-01-01	1800 W. Taylor St	Merrill Millwork Inc.	4.570	46,100	996,400	37,400	1,079,900	112.29%	41,056	887,603	31,316	960,185	4.57				4.57
251-3106-101-0183	34-0008-000-382-01-01	W. Taylor St. Frontage	Russ Dem Wholesale Inc.	1.515	11,400	0	0	11,400	112.29%	10,155	0	0	10,155	1.52				1.52
251-3106-101-0183	34-0008-000-382-01-01	W. Taylor St. Frontage	Russ Dem Wholesale Inc.	2.000	2,000	0	0	2,000	112.29%	1,782	0	0	1,782	1.00				1.00
251-3106-101-0183	34-0008-000-382-01-01	1407 W. Taylor St.	211 West Water St LLC	2.000	20,000	392,800	0	412,800	112.29%	17,816	349,910	0	367,726	2.00				2.00
251-3106-101-0183	34-0008-000-382-01-01	1405 W. Taylor St.	Westwater Shop Co. Inc.	4.040	29,400	692,300	188,620	910,320	112.29%	25,190	616,619	164,075	642,808	4.04				4.04
251-3106-101-0183	34-0008-000-382-01-01	1403 W. Taylor St	Interfire Acquisition Co. LLC	10.140	86,300	1,669,320	0	1,755,620	112.29%	76,877	1,377,749	164,075	1,521,651	10.14				10.14
251-3106-101-0183	34-0008-000-382-01-01	1300 Grand Ave	Roggenbush, Mark & Crystal	0.870	21,000	65,400	0	86,400	112.29%	18,489	58,259	0	76,748	0.87				0.87
251-3106-101-0183	34-0008-000-382-01-01	1310 Grand Ave	Futah, John	2.770	21,300	84,800	0	106,100	112.29%	18,974	75,541	0	94,515	2.77				2.77
251-3106-101-0183	34-0008-000-382-01-01	1308 Grand Ave	Petersen, Larry & Patricia	1.160	11,100	67,800	0	78,900	112.29%	13,451	59,951	0	73,403	1.17				1.17
251-3106-101-0183	34-0008-000-382-01-01	1306 Grand Ave	Scandin, Barb & Gail	1.537	9,000	57,800	0	66,800	112.29%	8,017	51,489	0	59,506	1.54				1.54
251-3106-101-0183	34-0008-000-382-01-01	1304 Grand Ave	Scandin, Barb & Gail	0.565	4,000	0	0	4,000	112.29%	3,526	0	0	3,526					0.00
251-3106-101-0183	34-0008-000-382-01-01	1302 Grand Ave	Scandin, Barb & Gail	2.796	26,600	0	0	26,600	112.29%	23,696	0	0	23,696	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1300 Grand Ave	Merrill Green & Construction Co.	0.328	10,000	0	0	10,000	112.29%	8,908	0	0	8,908	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1298 Grand Ave	City of Merrill	0.011	0	0	0	0	112.29%	0	0	0	0	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1296 Grand Ave	Merrill Green & Construction Co.	0.241	1,000	0	0	1,000	112.29%	891	0	0	891	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1294 Grand Ave	Merrill Green & Construction Co.	0.525	3,000	0	0	3,000	112.29%	2,672	0	0	2,672	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1292 Grand Ave	Merrill Green & Construction Co.	0.541	5,000	0	0	5,000	112.29%	4,017	0	0	4,017	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1290 Grand Ave	Merrill Green & Construction Co.	0.541	14,400	77,000	0	91,400	112.29%	16,391	64,932	0	81,323	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1288 Grand Ave	Schultz, Linda L.	0.783	11,700	56,700	0	68,400	112.29%	10,509	50,509	0	61,018	0.78				0.78
251-3106-101-0183	34-0008-000-382-01-01	1286 Grand Ave	Walters, Barry Richard	0.263	11,200	25,600	0	36,800	112.29%	11,759	26,368	0	38,127	0.26				0.26
251-3106-101-0183	34-0008-000-382-01-01	1284 Grand Ave	City of Merrill	1.411	0	0	0	0	112.29%	0	0	0	0	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1282 Grand Ave	Merrill Green & Construction Co.	0.541	5,000	0	0	5,000	112.29%	4,017	0	0	4,017	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1280 Grand Ave	Merrill Green & Construction Co.	0.541	14,400	77,000	0	91,400	112.29%	16,391	64,932	0	81,323	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1278 Grand Ave	Schultz, Linda L.	0.783	11,700	56,700	0	68,400	112.29%	10,509	50,509	0	61,018	0.78				0.78
251-3106-101-0183	34-0008-000-382-01-01	1276 Grand Ave	Walters, Barry Richard	0.263	11,200	25,600	0	36,800	112.29%	11,759	26,368	0	38,127	0.26				0.26
251-3106-101-0183	34-0008-000-382-01-01	1274 Grand Ave	City of Merrill	1.411	0	0	0	0	112.29%	0	0	0	0	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1272 Grand Ave	Merrill Green & Construction Co.	0.541	5,000	0	0	5,000	112.29%	4,017	0	0	4,017	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1270 Grand Ave	Merrill Green & Construction Co.	0.541	14,400	77,000	0	91,400	112.29%	16,391	64,932	0	81,323	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1268 Grand Ave	Schultz, Linda L.	0.783	11,700	56,700	0	68,400	112.29%	10,509	50,509	0	61,018	0.78				0.78
251-3106-101-0183	34-0008-000-382-01-01	1266 Grand Ave	Walters, Barry Richard	0.263	11,200	25,600	0	36,800	112.29%	11,759	26,368	0	38,127	0.26				0.26
251-3106-101-0183	34-0008-000-382-01-01	1264 Grand Ave	City of Merrill	1.411	0	0	0	0	112.29%	0	0	0	0	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1262 Grand Ave	Merrill Green & Construction Co.	0.541	5,000	0	0	5,000	112.29%	4,017	0	0	4,017	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1260 Grand Ave	Merrill Green & Construction Co.	0.541	14,400	77,000	0	91,400	112.29%	16,391	64,932	0	81,323	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1258 Grand Ave	Schultz, Linda L.	0.783	11,700	56,700	0	68,400	112.29%	10,509	50,509	0	61,018	0.78				0.78
251-3106-101-0183	34-0008-000-382-01-01	1256 Grand Ave	Walters, Barry Richard	0.263	11,200	25,600	0	36,800	112.29%	11,759	26,368	0	38,127	0.26				0.26
251-3106-101-0183	34-0008-000-382-01-01	1254 Grand Ave	City of Merrill	1.411	0	0	0	0	112.29%	0	0	0	0	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1252 Grand Ave	Merrill Green & Construction Co.	0.541	5,000	0	0	5,000	112.29%	4,017	0	0	4,017	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1250 Grand Ave	Merrill Green & Construction Co.	0.541	14,400	77,000	0	91,400	112.29%	16,391	64,932	0	81,323	0.00				0.00
251-3106-101-0183	34-0008-000-382-01-01	1248 Grand Ave	Schultz, Linda L.	0.783	11,700	56,700	0	68,400	112.29%	10,509	50,509	0	61,018	0.78				0.78
251-3106-101-0183	34-0008-000-382-01-01	1246 Grand Ave	Walters, Barry Richard	0.263	11,200	25,600	0	36,800	112.29%									

## SECTION 6: Equalized Value Test

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The following calculations demonstrate that the City is in compliance with Wisconsin Statutes Section.66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$34,431,925. This value is less than the maximum of \$44,581,284 in equalized value that is permitted for the City of Merrill. The City is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

<b>City of Merrill, Wisconsin</b>	
Tax Increment District No. 11	
Valuation Test Compliance Calculation	
District Creation Date	5/10/2016
	Valuation Data Currently Available 2015
Total EV (TID In)	<b>371,510,700</b>
12% Test	44,581,284
Increment of Existing TIDs	
TID #3	18,938,800
TID #4	812,200
TID #5	482,700
TID #6	0
TID #7	0
TID #8	0
TID #9	0
TID #10	0
Total Existing Increment	<u>20,233,700</u>
Projected Base of New or Amended District	14,198,225
Total Value Subject to 12% Test	<u>34,431,925</u>
Compliance	<b>PASS</b>

## SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

---

The following is a list of public works and other TIF-eligible projects that the City expects to implement in conjunction with this District. Any costs necessary or convenient to the creation of the District or directly or indirectly related to the public works and other projects are considered "Project Costs" and eligible to be paid with tax increment revenues of the District.

### Property, Right-of-Way and Easement Acquisition

#### Property Acquisition for Development and/or Redevelopment

In order to promote and facilitate development and/or redevelopment the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

#### Property Acquisition for Conservancy

In order to promote the objectives of this Plan, the City may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

#### Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

#### Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

#### Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

## Site Preparation Activities

### Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.

### Demolition

In order to make sites suitable for development and/or redevelopment, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

### Site Grading

Land within the District may require grading to make it suitable for development and/or redevelopment, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

## Utilities

### Sanitary Sewer System Improvements

There are inadequate sanitary sewer facilities serving areas of the District. To allow development and/or redevelopment to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which is necessitated by the implementation of the Project Plan is an eligible Project Cost. The improvements to the wastewater treatment facilities, although not all within the ½ mile radius, are eligible project costs under Section 66.1105(2)(f)1 k.

### Water System Improvements

There are inadequate water distribution facilities serving areas of the District. To allow development and/or redevelopment to occur, the City may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which is necessitated by the implementation of the Project Plan is an eligible Project Cost.

## **Stormwater Management System Improvements**

Development and/or redevelopment within the District may cause stormwater runoff and pollution. To manage this stormwater runoff, the City may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which is necessitated by the implementation of the Project Plan is an eligible Project Cost.

## **Electric Service**

In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

## **Gas Service**

In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

## **Communications Infrastructure**

In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

## **Streets and Streetscape**

### **Street Improvements**

There are inadequate street improvements serving areas of the District. To allow development and/or redevelopment to occur, the City may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

### **Streetscaping and Landscaping**

In order to attract development and/or redevelopment consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar

amenities installed by the City are eligible Project Costs.

## RDA Type Activities

### Contribution to Redevelopment Authority

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the City may provide funds to its RDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the RDA for this purpose are eligible Project Costs.

### Revolving Loan/Grant Program

To encourage private redevelopment consistent with the objectives of this Plan, the City, through its RDA, may provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the RDA in the program manual. Any funds returned to the RDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the RDA for purposes of implementing this program are considered eligible Project Costs.

## Miscellaneous

### Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

### Projects Outside the Tax Increment District

Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to make the following project cost expenditures outside the District:

- A portion of street improvement expenditures (\$75,000)
- A portion of water system improvement expenditures (\$25,000)

### Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

### **Administrative Costs**

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees in connection with the implementation of the Plan.

### **Financing Costs**

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

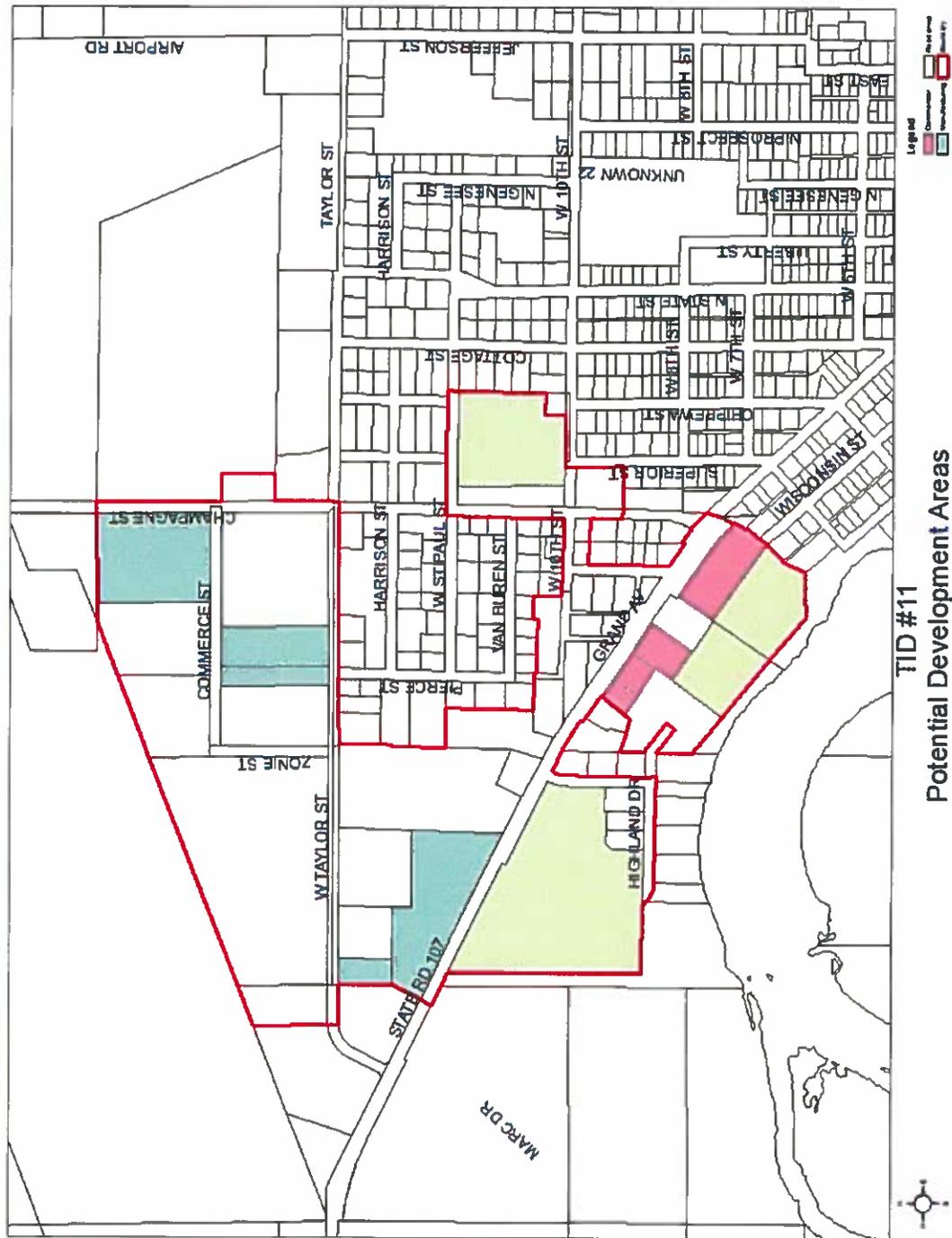
With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

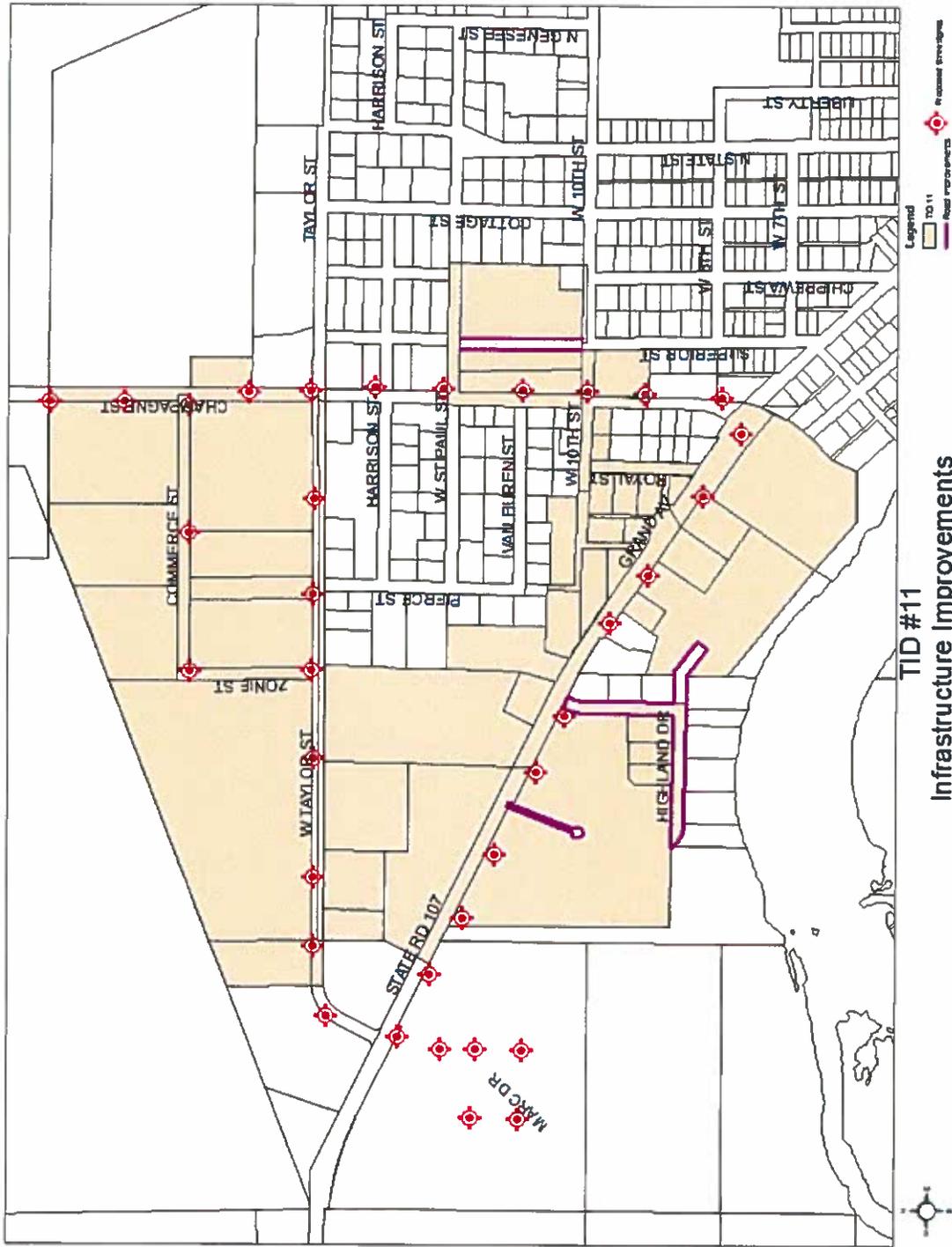
In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan.

**The City reserves the right to implement only those projects that remain viable as the Plan period proceeds.**

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges. To the extent the costs benefit the municipality outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

# SECTION 8: Maps Showing Proposed Improvements and Uses





**TID #11  
Infrastructure Improvements**

## SECTION 9: Detailed List of Project Costs

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All costs are based on 2016 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2016 and the time of construction. The City also reserves the right to increase certain project costs to the extent others are reduced or not implemented without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

**This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without amending the Plan.**

# Proposed TIF Project Cost Estimates

## City of Merrill, Wisconsin

Tax Increment District No. 11

Estimated Project List

Project ID	Project Name/Type	Phase I 2016-2017	Phase II 2018-2019	Phase III 2020-2022	Phase IV 2023-2025	Ongoing	Total (Note 1)
1	Boundary & Plan Amendments	10,000	10,000	10,000	10,000		40,000
2	Development Incentives	500,000	500,000	500,000	500,000		2,000,000
3	Real Estate Acquisition	250,000					250,000
4	Relocation Costs	5,000					5,000
5	Demolition	20,000					20,000
6	Environmental Remediation			25,000			25,000
7	Telecommunication Infrastructure			25,000			25,000
8	Engineering	25,000	20,000	10,000			55,000
9	Street Improvements and Lighting <sup>Note 2</sup>	150,000	125,000	200,000			475,000
10	Sanitary Sewer Improvements <sup>Note 2</sup>	50,000	50,000				100,000
11	Water System Improvements <sup>Note 2</sup>	75,000	50,000				125,000
12	Stormwater System Improvements	25,000	25,000				50,000
13	Redevelopment Planning	15,000	15,000				30,000
14	Administration					37,500	37,500
<b>Total Projects</b>		<b>1,125,000</b>	<b>795,000</b>	<b>770,000</b>	<b>510,000</b>	<b>37,500</b>	<b>3,237,500</b>

**Notes:**

**Note 1** Project costs are estimates and are subject to modification.

**Note 2** A portion of denoted project costs may be outside of but within 1/2 mile of the District.

## SECTION 10:

# Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related Are to Be Incurred

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The information and exhibits contained within this Section demonstrate that the proposed District is economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The City expects to complete the projects in one or multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private development and/or redevelopment. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur as a result of the implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development and/or redevelopment expected to occur, 2) a projection of tax increments to be collected resulting from that development and/or redevelopment and other economic growth within the District, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

## Available Financing Methods

Implementation of this Plan may require that the City issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. The following is a list of the types of obligations the City may choose to utilize.

### General Obligation (G.O.) Bonds or Notes

The City may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN). As of the date of this plan, the City has a G.O. debt limit of \$18,575,535, of which \$8,730,588 is currently unused and could be made available to finance Project Costs.

### Bonds Issued to Developers (“Pay as You Go” Financing)

The City may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the City and, therefore, do not count against the City’s statutory borrowing capacity.

### Tax Increment Revenue Bonds

The City has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the City, or as a form of lease revenue bond by a Redevelopment Authority (RDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the City and therefore do not count against the City's statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the City may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

### Utility Revenue Bonds

The City can issue revenue bonds to be repaid from revenues of the its various systems, including revenues paid by the City that represent service of the system to the City. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the City must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

### Special Assessment "B" Bonds

The City has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the City determines that special assessments are appropriate, the City can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the City's statutory borrowing capacity. If special assessments are levied, the City must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

## Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined on the following page. However, public debt and expenditures should be made at the pace private development and/or redevelopment occurs to assure increment is sufficient to cover expenses. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

It is anticipated developer agreements between the City and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement, these agreements might include levying of special assessments against benefited properties.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

**If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.**

# Implementation and Financing Timeline

City of Merrill, Wisconsin Tax Increment District No. 11 Estimated Financing Plan						
Projects	Taxable G.O. Bond 2016	G.O. Promissory Note 2016	G.O. Promissory Note 2018	G.O. Promissory Note 2020	Totals	
Development Incentives	500,000				500,000	
Real Estate Acquisition	250,000				250,000	
Relocation	5,000				5,000	
Demolition	20,000					
Environmental Remediation				25,000	25,000	
Telecommunication Infrastructure				25,000	25,000	
Engineering		25,000	20,000	10,000	10,000	
Street Improvements, and Lighting		150,000	125,000	200,000	200,000	
Sanitary Sewer Improvements		50,000	50,000			
Water System Improvements		75,000	50,000			
Stormwater System Improvements		25,000	25,000			
Redevelopment Planning		15,000	15,000			
<b>Total Project Funds</b>	<b>775,000</b>	<b>340,000</b>	<b>285,000</b>	<b>260,000</b>	<b>835,000</b>	
<b>Estimated Finance Related Expenses</b>						
Municipal Advisor	12,500	5,000	5,000	5,000		
Bond Counsel	7,500					
Rating Agency Fee	10,000					
Paying Agent	1,000					
Underwriter Discount	8,450	0	0	0	0	
Capitalized Interest	29,575	8,850				
<b>Total Financing Required</b>	<b>844,025</b>	<b>353,850</b>	<b>290,000</b>	<b>265,000</b>		
Rounding	975	150	0	0		
<b>Net Issue Size</b>	<b>845,000</b>	<b>354,000</b>	<b>290,000</b>	<b>265,000</b>	<b>1,754,000</b>	

**Notes:**

1. Development Incentives expected to be provided in 2018, 2020 and 2023 are shown in cash flow as PAYGO Incentives

# Development Assumptions

## City of Merrill, Wisconsin

### Tax Increment District No. 11

#### Development Assumptions

Construction Year	Acquisition / Demolition	Lokemoen Site	Kienitz Site	Industrial Park	Hwy. 107 Commercial	Annual Total	Construction Year
1 2016	(50,000)	2,750,000				2,700,000	2016 1
2 2017			500,000			500,000	2017 2
3 2018		2,750,000			275,000	3,025,000	2018 3
4 2019			500,000			500,000	2019 4
5 2020		2,750,000		500,000		3,250,000	2020 5
6 2021			500,000			500,000	2021 6
7 2022					250,000	250,000	2022 7
8 2023			500,000			500,000	2023 8
9 2024						0	2024 9
10 2025				1,000,000		1,000,000	2025 10
11 2026						0	2026 11
12 2027					275,000	275,000	2027 12
13 2028						0	2028 13
14 2029						0	2029 14
15 2030				1,000,000		1,000,000	2030 15
16 2031						0	2031 16
17 2032						0	2032 17
18 2033						0	2033 18
19 2034						0	2034 19
20 2035				500,000		500,000	2035 20
<b>Totals</b>	<u>(50,000)</u>	<u>8,250,000</u>	<u>2,000,000</u>	<u>3,000,000</u>	<u>800,000</u>	<u>14,000,000</u>	

# Increment Revenue Projections

## City of Merrill, Wisconsin

### Tax Increment District No. 11

#### Tax Increment Projection Worksheet

Type of District	Mixed Use	Base Value	14,198,225
District Creation Date	May 10, 2016	Appreciation Factor	0.00%
Valuation Date	Jan 1, 2016	Base Tax Rate	\$31.91
Max Life (Years)	20	Rate Adjustment Factor	0.00%
Expenditure Period/Termination	15 5/10/2031		
Revenue Periods/Final Year	20 2037		
Extension Eligibility/Years	Yes 3	Tax Exempt Discount Rate	2.00%
Recipient District	No	Taxable Discount Rate	3.50%

Construction Year	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
1 2016	2017	0	2,700,000	2018	\$31.91	86,156	84,466	83,242
2 2017	2018	0	3,200,000	2019	\$31.91	102,111	182,612	178,564
3 2018	2019	0	6,225,000	2020	\$31.91	198,637	369,792	357,723
4 2019	2020	0	6,725,000	2021	\$31.91	214,592	568,042	544,727
5 2020	2021	0	9,975,000	2022	\$31.91	318,299	856,334	812,726
6 2021	2022	0	10,475,000	2023	\$31.91	334,253	1,153,141	1,084,640
7 2022	2023	0	10,725,000	2024	\$31.91	342,230	1,451,073	1,353,630
8 2023	2024	0	11,225,000	2025	\$31.91	358,185	1,756,780	1,625,640
9 2024	2025	0	11,225,000	2026	\$31.91	358,185	2,056,493	1,888,451
10 2025	2026	0	12,225,000	2027	\$31.91	390,094	2,376,506	2,164,996
11 2026	2027	0	12,225,000	2028	\$31.91	390,094	2,690,245	2,432,190
12 2027	2028	0	12,500,000	2029	\$31.91	398,670	3,004,751	2,696,155
13 2028	2029	0	12,500,000	2030	\$31.91	398,670	3,313,090	2,951,194
14 2029	2030	0	12,500,000	2031	\$31.91	398,670	3,615,383	3,197,608
15 2030	2031	0	13,500,000	2032	\$31.91	430,779	3,935,459	3,454,736
16 2031	2032	0	13,500,000	2033	\$31.91	430,779	4,249,258	3,703,169
17 2032	2033	0	13,500,000	2034	\$31.91	430,779	4,556,904	3,943,201
18 2033	2034	0	13,500,000	2035	\$31.91	430,779	4,858,518	4,175,116
19 2034	2035	0	13,500,000	2036	\$31.91	430,779	5,154,218	4,399,188
20 2035	2036	0	14,000,000	2037	\$31.91	446,734	5,454,857	4,623,701
<b>Totals</b>	<b>14,000,000</b>	<b>0</b>	<b>Future Value of Increment</b>	<b>6,890,073</b>				

**Notes:**  
 Actual results will vary depending on development, inflation of overall tax rates  
 NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

# Cash Flow

City of Merrill, Wisconsin  
 Tax Increment: District No. 11  
 Cash Flow Projection

Year	Tax Increments		Capitalized Interest		Total Revenues		Yieldable G.O. Bond		G.O. Promissory Note		G.O. Promissory Note		G.O. Promissory Note		Creation, Amendment & Admin. PAYGO	Phase II PAYGO	Phase III PAYGO	Phase IV PAYGO	Total Leases/Improvements	Annual	Cumulative	Principal Outstanding	Year
	Principal	Interest	Principal	Interest	Dated Date	Principal	Est. Rate	Interest	Dated Date	Principal	Est. Rate	Interest	Dated Date	Principal									
2016																							
2017	86,156	38,425	86,156	38,425	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	12,500	29,412	31,333	41,667	174,163	12,500	(12,500)	1,199,000	2016	
2018	102,111	46,156	102,111	46,156	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	172,737	40,925	(4,925)	1,199,000	2017	
2019	198,637	98,637	198,637	98,637	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	170,312	81,925	(10,789)	1,954,000	2018	
2020	214,591	214,591	214,591	214,591	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	167,887	98,400	3,711	(7,659)	1,907,000	2019
2021	318,298	318,298	318,298	318,298	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	165,462	17,337	11,300	4,743	2,543,588	2020
2022	334,253	334,253	334,253	334,253	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	163,037	207,062	2,530	11,772	2,383,176	2021
2023	342,230	342,230	342,230	342,230	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	160,612	244,845	71,453	85,225	2,184,431	2022
2024	358,185	358,185	358,185	358,185	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	158,187	253,045	101,208	166,432	2,043,696	2023
2025	380,094	380,094	380,094	380,094	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	155,762	261,195	104,035	267,467	2,280,941	2024
2026	398,870	398,870	398,870	398,870	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	153,337	269,343	71,273	338,690	2,036,579	2025
2027	418,779	418,779	418,779	418,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	150,912	277,491	71,373	411,063	1,774,118	2026
2028	438,779	438,779	438,779	438,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	148,487	285,639	152,508	563,571	1,561,706	2027
2029	458,779	458,779	458,779	458,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	146,062	293,787	149,633	713,204	1,344,294	2028
2030	478,779	478,779	478,779	478,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	143,637	301,935	195,733	908,937	1,160,882	2029
2031	498,779	498,779	498,779	498,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	141,212	310,086	197,708	1,106,144	916,471	2030
2032	518,779	518,779	518,779	518,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	138,787	318,237	214,708	1,330,852	817,659	2031
2033	538,779	538,779	538,779	538,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	136,362	326,388	254,542	1,589,394	657,647	2032
2034	558,779	558,779	558,779	558,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	133,937	334,539	260,467	1,849,862	498,235	2033
2035	578,779	578,779	578,779	578,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	131,512	342,690	257,391	2,107,254	333,824	2034
2036	598,779	598,779	598,779	598,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	129,087	350,841	259,492	2,364,747	199,432	2035
2037	618,779	618,779	618,779	618,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	126,662	358,992	264,593	2,622,240	(1)	2036
2038	638,779	638,779	638,779	638,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	124,237	367,143	269,694	2,879,733	(1)	2037
2039	658,779	658,779	658,779	658,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	121,812	375,294	274,795	3,137,226	(1)	2038
2040	678,779	678,779	678,779	678,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	119,387	383,445	279,896	3,394,719	(1)	2039
2041	698,779	698,779	698,779	698,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	116,962	391,596	284,997	3,652,212	(1)	2040
2042	718,779	718,779	718,779	718,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	114,537	399,747	290,098	3,909,705	(1)	2041
2043	738,779	738,779	738,779	738,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	112,112	407,898	295,199	4,167,198	(1)	2042
2044	758,779	758,779	758,779	758,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	109,687	416,049	300,300	4,424,691	(1)	2043
2045	778,779	778,779	778,779	778,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	107,262	424,200	305,401	4,682,184	(1)	2044
2046	798,779	798,779	798,779	798,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	104,837	432,351	310,502	4,939,677	(1)	2045
2047	818,779	818,779	818,779	818,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	102,412	440,502	315,603	5,197,170	(1)	2046
2048	838,779	838,779	838,779	838,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	100,000	448,653	320,704	5,454,663	(1)	2047
2049	858,779	858,779	858,779	858,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	97,575	456,804	325,805	5,712,156	(1)	2048
2050	878,779	878,779	878,779	878,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	95,150	464,955	330,906	5,969,649	(1)	2049
2051	898,779	898,779	898,779	898,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	92,725	473,106	336,007	6,227,142	(1)	2050
2052	918,779	918,779	918,779	918,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	90,300	481,257	341,108	6,484,635	(1)	2051
2053	938,779	938,779	938,779	938,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	87,875	489,408	346,209	6,742,128	(1)	2052
2054	958,779	958,779	958,779	958,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	85,450	497,559	351,310	7,000,621	(1)	2053
2055	978,779	978,779	978,779	978,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	83,025	505,710	356,411	7,259,114	(1)	2054
2056	998,779	998,779	998,779	998,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667	80,600	513,861	361,512	7,518,607	(1)	2055
2057	1,018,779	1,018,779	1,018,779	1,018,779	20,000	3.50%	29,575	31,000	2.50%	8,850	29,575	2.50%	8,850	2,500	29,412	31,333	41,667</						

## SECTION 11: Annexed Property

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There are no lands proposed for inclusion within the District that were annexed by the City on or after January 1, 2004.

## SECTION 12: Estimate of Property to Be Devoted to Retail Business

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Pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1, the City estimates that 1.9% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

## SECTION 13: Proposed Zoning Ordinance Changes

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The City does not anticipate that the District will require any changes in zoning ordinances.

## SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and City of Merrill Ordinances

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It is expected that this Plan will be complementary to the City's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other City ordinances for the implementation of this Plan.

## SECTION 15: Relocation

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It is anticipated there will be a need to relocate persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable Wisconsin Statutes Section chapter 32.

## SECTION 16: Orderly Development and/or Redevelopment of the City of Merrill

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The District contributes to the orderly development and/or redevelopment of the City by providing the opportunity for continued growth in tax base, job opportunities and general economic activity.

## SECTION 17: List of Estimated Non-Project Costs

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Non-Project costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds. The City does not expect to incur any non-project costs in the implementation of this Project Plan.

SECTION 18:  
Opinion of Attorney for the City of Merrill Advising Whether  
the Plan is Complete and Complies with Wisconsin  
Statutes 66.1105

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April 5, 2016

**SAMPLE**

Mayor William Bialecki  
City of Merrill  
1004 E. First Street  
Merrill, Wisconsin 54452

**RE: City of Merrill, Wisconsin Tax Incremental District No. 11**

Dear Mayor:

As City Attorney for the City of Merrill, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

Sincerely,

Attorney Thomas Hayden  
City of Merrill

Exhibit A:  
**Calculation of the Share of Projected Tax Increments  
 Estimated to Be Paid by the Owners of Property in the  
 Overlying Taxing Jurisdictions**

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.						
Statement of Taxes Data Year:		2014		Percentage		
County		2,001,535				16.90%
Technical College		417,692				3.53%
Municipality		5,896,682				49.79%
School District		3,528,327				29.79%
<b>Total</b>		<b>11,844,236</b>				

Revenue Year	County	Technical College	Municipality	School District	Total	Revenue Year
2018	14,559	3,038	42,893	25,665	86,156	2018
2019	17,255	3,601	50,836	30,418	102,111	2019
2020	33,567	7,005	98,892	59,173	198,637	2020
2021	36,263	7,568	106,835	63,926	214,592	2021
2022	53,789	11,225	158,465	94,819	318,298	2022
2023	56,485	11,788	166,409	99,572	334,253	2023
2024	57,833	12,069	170,380	101,948	342,230	2024
2025	60,529	12,632	178,323	106,701	358,185	2025
2026	60,529	12,632	178,323	106,701	358,185	2026
2027	65,921	13,757	194,209	116,207	390,094	2027
2028	65,921	13,757	194,209	116,207	390,094	2028
2029	67,404	14,066	198,578	118,821	398,870	2029
2030	67,404	14,066	198,578	118,821	398,870	2030
2031	67,404	14,066	198,578	118,821	398,870	2031
2032	72,797	15,192	214,464	128,327	430,779	2032
2033	72,797	15,192	214,464	128,327	430,779	2033
2034	72,797	15,192	214,464	128,327	430,779	2034
2035	72,797	15,192	214,464	128,327	430,779	2035
2036	72,797	15,192	214,464	128,327	430,779	2036
2037	75,493	15,754	222,408	133,079	446,734	2037
	<u>1,164,340</u>	<u>242,981</u>	<u>3,430,240</u>	<u>2,052,511</u>	<u>6,890,073</u>	

Notes:  
 The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.